

# EXHIBIT 3

## **NORDSTROM DISPUTE RESOLUTION PROGRAM**

### **Resolving Our Differences, Together**

At Nordstrom, we value and encourage open and honest discussion, which is why our Open Door philosophy is such an important part of our culture. At Nordstrom, we want you to feel welcome and comfortable to come in and talk to us anytime about any issue that impacts you at work. We want you to feel confident in discussing any issue with the person or people directly involved. You may also talk to your department manager, Human Resources manager, Human Resources director, Diversity Affairs director, store manager or regional manager whenever you wish. By resolving our differences together, we can open the door to a better working relationship and a stronger company all around.

The Nordstrom Dispute Resolution Program was designed to help you discuss your concerns and resolve them fairly and directly - without having to resort to a court proceeding. By talking things over together, it's possible to come to a solution that works well for everyone. The following information describes what you need to know about the program and how it works. Our door is open.

### **A Better Way to Resolve Your Concerns**

The Nordstrom Dispute Resolution Program is an example of our commitment to building a strong working relationship with you. The dispute resolution process consists of three steps.

#### **Step 1: Open Communication**

Talking it over, one-to-one. Often an issue can be resolved simply by talking it over with the person directly involved. Or, you can talk with your department manager, Human Resources manager, Human Resources director, Diversity Affairs director, store manager or regional manager. Remember, whatever the issue, the Nordstrom family is committed to seeing that your concerns are addressed.

#### **Step 2: Internal Review**

Requesting a formal review of your concern. If open communication does not resolve your concern, you may formalize it by making a *Request for Internal Review*. Here are the steps to follow:

- Complete a Request for Internal Review form. This form is available in your Human Resources office. Send or deliver the completed form to your Human Resources office
- The Human Resources director or someone he or she designates will investigate your concern. Once a Human Resources director has received your request, he or she (or someone he or she designates) will talk with you and any other appropriate people and look into the situation. Your concern will be investigated promptly, thoroughly and as confidentially as possible. We respect your privacy and will do everything in our power to keep any information about your concern limited to the people involved
- After completing the investigation, you will be contacted as promptly as possible to discuss the investigation and potential solutions

#### **Step 3: Arbitration**

The third step is to use an independent arbitrator to resolve your individual issue. During this step, an independent decision maker will hear both sides of the situation and make a final and binding decision.

Your concern may be resolved in just Step 1, or it may involve all three. It is not necessary you complete Steps 1 and 2 before proceeding to Step 3. Steps 1 and 2 apply to both legal and non-legal claims and disputes. Step 3 however, applies only to claims or disputes that involve a legally protected right.

The following Dispute Resolution Agreement provides detailed information about the arbitration process.

### **Dispute Resolution Agreement**

#### **When This Agreement Applies**

This Dispute Resolution Agreement ("Agreement") is governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq. and evidences a transaction involving commerce. This Agreement applies to any disputes arising out of or related to your application for employment with Nordstrom or one of its affiliates, subsidiaries or parent companies ("Nordstrom"), your employment with Nordstrom or the termination of your employment. The Agreement applies to any such disputes even if they are brought by your parents, guardians, assigns, beneficiaries, spouse, children or heirs on your behalf. Nothing contained in this Agreement shall be construed to prevent or excuse you from utilizing Nordstrom's existing internal procedures for resolution of complaints, and this Agreement is not intended to be a substitute for using those procedures.

This Agreement is intended to apply to the resolution of past, present and future disputes that otherwise would be resolved in a court of law and requires that all such disputes be resolved only by an arbitrator through final and binding arbitration and not by way of court or jury trial except as otherwise stated in this Agreement. The Agreement applies without limitation to disputes regarding the employment relationship, trade secrets, unfair competition, compensation, breaks and rest periods, termination, discrimination, retaliation (including retaliation under the Employee Retirement Income Security Act of 1974) or harassment and claims arising under the Uniform Trade Secrets Act, Civil Rights Act of 1964, Americans With Disabilities Act, Age Discrimination in Employment Act, Family Medical Leave Act, Fair Labor Standards Act, Genetic Information Non-Discrimination Act, and other state and local statutes, addressing the same or similar subject matters, and all other state statutory and common law claims. Such disputes also include without limitation disputes arising out of or relating to the interpretation or application of this Agreement. However, this Agreement does not apply to disputes regarding the enforceability, revocability or validity of the Agreement or any portion of the Agreement. Such disputes can only be resolved by a court of competent jurisdiction.

This Agreement does not prevent you from filing a charge with the National Labor Relations Board, the U.S. Department of Labor, or the Equal Employment Opportunity Commission. This Agreement also does not prevent you from filing claims with similar state agencies if applicable law allows you to do so. Nothing in this Agreement shall be deemed to preclude or excuse you or Nordstrom from bringing an administrative claim before any agency in order to fulfill your/its obligation to exhaust administrative remedies before making a claim in arbitration.

This Agreement does not cover disputes that may not be subject to predispute arbitration agreement as provided by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Public Law 111-203). The Agreement also does not cover: claims for workers compensation, state disability or unemployment insurance benefits; any criminal complaint or proceeding filed by a governmental agency; claims for restitution or civil penalties owed by an employee for an act for which Nordstrom sought criminal prosecution; and claims for benefits under any employee benefit plan sponsored by Nordstrom and covered by the Employee Retirement Income Security Act of 1974 or funded by insurance.

#### **Who Conducts the Arbitration and Where It Will Take Place**

The arbitrator shall be either a retired judge who presided in the jurisdiction where the arbitration is convened or an attorney who is experienced in employment law and licensed to practice law in that jurisdiction. The arbitrator shall be selected by mutual agreement of the parties or, if the parties cannot agree, the arbitrator shall be selected pursuant to the Judicial Arbitration & Mediation Services (JAMS) Employment Arbitration Rules & Procedures for selecting an arbitrator, which are currently available at <http://www.jamsadr.com/rules-employment-arbitration>. You may also obtain a copy of the JAMS rules from

your Human Resources office. Aside from the rules governing selection of an arbitrator, the JAMS rules shall not otherwise apply, and this Agreement shall govern all arbitration proceedings in lieu of the JAMS rules.

The location of the arbitration proceeding shall be no more than 45 miles from the place where you last worked for Nordstrom, unless you and Nordstrom agree in writing otherwise. If you no longer reside in the general geographical vicinity where you last worked for Nordstrom and you and Nordstrom cannot agree to a location of the arbitration, the arbitrator will decide the location of the arbitration.

#### Starting the Arbitration Process

A demand for arbitration must be in writing and delivered by hand or first class mail to the other party within the applicable statute of limitations period. Any demand for arbitration made to Nordstrom shall be provided to the Nordstrom Arbitration Coordinator at:

Nordstrom Arbitration Coordinator  
1700 7th Avenue  
Suite 1000  
Seattle, WA 98101

The Nordstrom Arbitration Coordinator will contact you within 30 days of receipt of your arbitration demand to discuss next steps. The arbitrator shall resolve all disputes regarding the timeliness or propriety of the demand for arbitration.

#### The Arbitration Process and Procedures

In arbitration, you and Nordstrom will have the right to conduct adequate civil discovery and to bring motions, including motions for full and/or partial summary judgment and other motions that could resolve all or part of the disputes. You and Nordstrom will also have the right to present witnesses and evidence. Any disputes regarding discovery, motions, witnesses and evidence shall be resolved by the arbitrator.

The arbitration will only be recorded by a stenographer (or other means) if you or Nordstrom asks to have the arbitration recorded. If both you and Nordstrom request a recording, the cost will be shared equally. Otherwise, the person requesting the recording has to pay the costs. If you or Nordstrom fail to attend a scheduled hearing held as part of the arbitration, the arbitrator may decide the arbitration or any claim or defense without you or Nordstrom.

**You and Nordstrom agree to bring any dispute in arbitration on an individual basis only, and not on a class, collective, representative or private attorney general basis. There will be no right or authority for any dispute to be brought, heard or arbitrated as a class, collective, representative or private attorney general action, or as a member in any purported class, collective, representative or private attorney general proceeding, including without limitation pending but not certified class actions ("Class Action Waiver").** Disputes regarding the validity and enforceability of the Class Action Waiver may be resolved only by a civil court of competent jurisdiction and not by an arbitrator.

The Class Action Waiver shall not be severable from this Agreement in any case in which (1) the dispute is filed as a class, collective, representative or private attorney general action and (2) a civil court of competent jurisdiction finds the Class Action Waiver is unenforceable. In such instances, the class, collective, representative and/or private attorney general action must be litigated in a civil court of competent jurisdiction.

The Class Action Waiver, and any other provision of this Agreement, shall be severable in any case in which the dispute is filed as an individual action and severance is necessary to ensure that the individual action proceeds in arbitration.

Although employees will not be retaliated against, disciplined or threatened with discipline for their exercising rights under Section 7 of the National Labor Relations Act by the filing of or participation in

a class, collective, representative or private attorney general action, Nordstrom may lawfully seek enforcement of this Agreement and the Class Action Waiver under the Federal Arbitration Act and seek dismissal of any such class, collective, representative and/or private attorney general action.

#### **Who Pays For Arbitration**

If you initiate the arbitration, your portion of the filing fee, if required, will be the lesser of the comparable state and/or federal court filing fee applicable to your claims. If you can show that your portion of the filing fee creates an undue hardship, please contact the arbitrator for consideration to have it waived.

Nordstrom will pay the remainder of the filing fee, the arbitrator's fee and any administrative expenses. If the arbitrator finds completely in your favor, Nordstrom will reimburse your portion of the filing fee.

You will also be responsible for paying your litigation costs and your attorneys' fees if you choose to have representation in any arbitration proceeding. Nordstrom will be responsible for paying its litigation costs and attorneys' fees if it chooses to have representation in any arbitration proceeding. However, if you or Nordstrom prevails on a statutory claim which allows the prevailing party to recover attorneys' fees and litigation costs, or if there is a written agreement providing for attorneys' fees and/or litigation costs, the arbitrator shall rule upon a motion for attorneys' fees and/or litigation costs under the same standards a court would apply under the law applicable to the claim at issue.

Any disputes regarding payment of attorneys' fees, administrative expenses and costs will be resolved by the arbitrator.

#### **What Happens After the Arbitration Hearing**

Within 30 days of the close of the arbitration hearing, you and Nordstrom will have the right to prepare, serve on the other party, and file with the arbitrator a brief. The arbitrator may award you or Nordstrom any remedy to which you or Nordstrom are entitled under applicable law, but such remedies shall be limited to those that would be available to you or Nordstrom in your/its individual capacity in a court of law for the claims presented to and decided by the arbitrator, and no remedies that otherwise would be available to an individual in a court of law will be forfeited by virtue of this Agreement. The arbitrator will issue a decision or award in writing, stating the essential findings of fact and conclusions of law. Except as may be permitted or required by law, as determined by the arbitrator, neither you, Nordstrom nor an arbitrator may disclose the existence, content, or results of any arbitration without the prior written consent of all parties. A court of competent jurisdiction shall have the authority to enter a judgment upon the arbitrator's award.

#### **Making Sure There Is No Retaliation**

It is against Nordstrom policy for any employee to be subject to retaliation if he or she exercises his or her right to assert claims under this Agreement. If you believe that you have been retaliated against by anyone at Nordstrom, you should immediately report this to your Human Resources office or you may call Ethicspoint at 866.237.0842.

#### **Entire Agreement**

This Agreement is the full and complete agreement relating to the formal resolution of employment-related disputes. Moreover, you and Nordstrom agree to remain bound by this Agreement even if you transfer to a different position or location with Nordstrom and even after the employment relationship ends.

#### **If You Are Under The Age of 18 (and Not Emancipated)**

We recognize that your parents or legal guardian may be involved in your decision to work for us. They should be aware of this Dispute Resolution Agreement and how it affects you. It is your responsibility to make sure they read this Dispute Resolution Agreement.

**NORDSTROM**